THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SMT. KRISHNA SAHI): (a) The Ministry of Railways have not so far placed any wagon orders for the year 1995-96 through Wagon India Ltd. (WIL);

(b) Does not arise.

(c) The Wagon Builders are idling for want of workload since April, 1995, Ministry of Railways have been approachad to release wagon orders.

Rejection of HEC tender by Bokaro Steal Plant

6443. SHRI DIPANKAR MUKHERJEE:
SHRI NILOTPAL BASU:

Will the PRIME MINISTER be pleased to state:

(a) whether in Bokaro Steel Plant, Heavy Engineering Corporation Limited, Ranchi along with NKMZ, Ukraine, the supplier of the existing Hot Strip Mill plant, were not prequalified to bid for the project of revamping of the existing Hot Strip Mill (Rs. 550 crore project) and if so, the reasons for elimination of HEC as bidder;

(b) whether order for the continuous casting machine of BSL was not placed on HEC, even though HECs price (Rs. 573.9 crore) for the package of Engineering/Design/Supply/Erection/ Commissioning of Plants/Equimpments/ Spares is less than the price (Rs. 594.9 crore) at which main turn-key project has been ordered; and

(c) whether to make HEC's price more, the price of consumable was loaded which was not as per original tender specifications and only after 2nd submission of price bid, tenderers were asked to submit the same?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SMT. KRISHNA SAHI): (a) to (c) The information is being collected and will be laid on the Table of the House.

Show cause notice for winding up of BOGL

6444. SHRI NILOTPAL BASU:
SHRIMATI CHANDRAKALA PANDEY:

Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that BIFR in its hearing dated 23rd November, 1994 decided to issue show-cause notice for winding up the Bharat Opthalmic Glass Ltd. (BOGL) under Ministry of Industry;

(b) whether it is also a fact that BOGL is the only factory of its kind in the country having products of 100% import substitution; and

(c) if so, what are the steps being taken by Government to rehabilitate the industry in view of the show cause notice for winding up BOGL issued by BIFR?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SMT. KRISHNA SAHI): (a) BIFR in their hearing on 23.11.94 formed a primafacie opinion that BOGL should be wound up under section 20 of Sick Industrial Companies (Special Provision) Act and ordered for issue of notices calling for objections/suggestions or alternative proposals.

(b) Among BOGL's products, Flint Buttons are 100% Import Substitution Products.

(c) Government has proposed to BIFR to continue the operations of BOGL for three years, monitor its performance closely and decide the future course of action at the end of 1996-97. A financial package has also been proposed alongwith it.

Policy changes made in industrial sector

6445. DR. B.B. DUTTA: Will the PRIME MINISTER be pleased to state:

(a) the major policy changes made by Government in the industrial sector during the last four years;

(b) the major objectives behind making these changes; and

(c) how far Government have been able to achieve these objectives?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SMT. KRISHNA SAHI): (a) New Industrial Policy has been announced by the Government on 24th July, 1991. The major policy changes made in pursuance of New Industrial Policy, 1991 during the last 4 years, inter-alia, includes:

(i) Abolition of industrial licensing for all industries except a short list of 16 industries.

(ii) Pruning in the number of items reserved for public sector to 6.

(iii) According of Automatic approval for Direct Foreign Investment up to 51% foreign equity and technology agreements in high priority industries by Reserve Bank of India.

(iv) Abolition of pre-entry scrutiny of investment decisions under Monopolies and Restrictive Trade Practices, Act.

(b) Main objectives of these major policy changes are to build on the gains already made, maintain a sustained growth in productivity and gainful employment, ensure optimal utilisation of human resources and attain international competitiveness.

(c) The New Industrial Policy Resulted in an increase in the rate of industrial growth, Increase in exports and foreign exchange reserves, increase in investment intentions and foreign investment approvals and increase in employment potential.

Growth rate of manufacturing sector

6446. DR. B.B. DUTTA: Will the PRIME MINISTER be pleased to state:

(a) the growth rate of manufacturing sector vis-a-vis industrial sector during the last five years;

(b) the reasons for lower growth rate in the manufacturing sector; and

(c) the steps taken by Government to accelerate the growth rate of this sector?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SMT. KRISHNA SAHI): (a) The overall industrial growth and the grwoth rate of manufacturing sector during last five years has been as under:

Rate of Growth of Ind. Prod.

Year	Manufacturing	Overall
1990-91	8.9%	8.3%
1991-92	−0.8%	0.6%
1992-93	2.2%	2.3%
1993-94	4.5%	4.7%
1994-95 (Apr.-Dec)	8.5%	8.3%

(b) and (c): Manufacturing sector has more or less followed the same trend as overall industrial production. The broad based industrial recovery already underway is the result of the cumulative success of industrial, trade, fiscal and capital market reforms. The new policy initiatives have stabilised the economy and improved confidence of the entrepreneurs. The industrial sector has further benefitted from imposition of the countervailing duties and extension of MODVAT.

Industrial backwardness of North-Eastern Region

6447. DR. B.B. DUTTA: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that North-Eastern Region is an industrially backward region;

(b) if so, the factors responsible for the backwardness;